

FY2010 MARKETING RETROSPECT

VACATIONER INDICATORS & RESEARCH RESULTS TO-DATE

Presented to the
Montana Tourism Advisory Council

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VACATIONER INDICATORS

- + Overall statewide visitation (ITRR)
- + National Park visitation (NPS)
- + Lodging data (Smith Travel Report)
- + Website traffic (MTOT)

STATEWIDE VISITATION

- + 2009 visitation to Montana was relatively flat (down 0.10%) while the rest of the U.S. was down 3.8%
- + 2009-10 vacationer groups, by quarter
 - Q3/09: 991,200
 - Up 70% from Q3/08 (584,000 groups)
 - Rebound to 2007 levels (approx 845,100 groups)
 - Q4/09: 156,000
 - Down 5% from Q4/08 (166,000 groups)
 - Above 2007 levels (approx 148,000 groups)
 - Q1/10: 133,300
 - Up 0.6% from Q1/09 (132,500 groups)
 - Below 2007 levels (approx 146,500 groups)
 - Q2/10: 422,000
 - Up 30% from Q2/09 (325,000 groups)
 - Above 2007 levels (approx 393,040 groups)

NATIONAL PARKS VISITATION

- + Glacier National Park
 - Up 12.2% in 2009
 - Up 11% YTD in 2010
 - 2nd best July in park history
 - YTD total outpacing 1983 record year
- + Yellowstone National Park
 - + Up 7.4% in 2009
 - + Up 7.5% YTD in 2010
 - + Busiest June on record
 - + Best month ever July 2010
- + NPS System
 - Up 4% in 2009

MONTANA LODGING DATA

- + See MTOT Update - Revenue Reports
- + Percentage of Rooms Sold
 - Down 4.2% in 2009
 - Mountain Region down 8.3%, US down 5.8%
 - Up 4.8% in 2010
 - Mountain Region up 6.5%, US up 7.4%
 - Up 11% in August 2010 vs August 2009
- + Occupancy Rates
 - MT up 4% August YTD (Mountain up 3.8%; US up 5%)
- + ADR
 - MT one of only 13 states to hold/increase ADR YTD
- + RevPAR
 - MT up 6.7% August YTD (Mountain up 1%; US up 4%)

MTOT WEBSITE TRAFFIC

- + New filters for measuring traffic; August 2010 first month of apples-to-apples comparison
- + Visits
 - Average 157,366 visits/month
 - August: 175,495 (down 1.4% vs Aug 2009)
 - Sept: 136,624 (up 5.5% vs Sept 2009)
- + Time on site holding steady at approx 7min

2010 BRAND AWARENESS STUDY

BACKGROUND & OBJECTIVES

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STUDY BACKGROUND

- In 2010, the Montana Office of Tourism continues to target Geotravelers* with advertising to increase their awareness of Montana and desire to travel to the state.
- Leisure Trends Group was contracted to conduct an ongoing quantitative brand and advertising awareness study. Four waves of this study have been completed.
- Wave 3 was conducted February 8-25, 2010 as a Pre measurement before warm season marketing launched in March to the three media markets (Chicago, Minneapolis, Seattle).
- Wave 4 was conducted May 17-June 15 at the peak of the campaign as a Post measurement.

DEFINING “GEOTRAVELERS”

- + Place a premium on nature, wildlife, comfort, experiences and a sense of exhilaration
- + Active in outdoors with both rigorous and/or leisurely activity

Target Demo:

- + Adults 25-64
- + College Graduates
- + \$50K+ HHI

Target Behaviors

- + Domestic travelers who participate in one or more while on vacation:
 - Sightseeing, Visiting national parks, Backpacking/hiking, Skiing, Other outdoor sports or recreation, Fishing, Bicycle riding

STUDY BACKGROUND

Wave:	1	2	3	4
Timing:	February 2009	May 2009	February 2010	May 2010
Geotraveler Control Groups:	National	National	National	National
Geotraveler Media Markets:	Chicago	Chicago	Chicago	Chicago
Geotraveler Media Markets:	Atlanta	Atlanta	Minneapolis	Minneapolis
Geotraveler Media Markets:			Seattle	Seattle
General Population: National Control Group and Subsample in Media Markets				National, Chicago, Minneapolis & Seattle

STUDY OBJECTIVES

- Track the following:
 - Brand Awareness, both Unaided and Aided
 - Advertising Awareness, both Unaided and Aided
 - Consideration of travelling to Montana in the next 6-18 months
 - Perceptions of what Montana offers travelers
- Understand attributes related to the advertising and the Montana Brand, measuring shifts pre and post advertising in the 2010 media markets: Chicago, Minneapolis and Seattle.
- Employ a random national sample of Geotravelers as a control group to measure the impact of the 2010 overall warm season campaign.
- Add a general population sample to survey to measure the impact of the

2010 BRAND AWARENESS STUDY
RESEARCH RESULTS

2010 BRAND AWARENESS STUDY

KEY FINDINGS

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(WELL-TARGETED) INCREASED SPENDING = INCREASED AWARENESS

- + Highly targeted media spending for 2010 national and key market campaigns was 28% higher than the 2009 national and key market campaigns
- + Awareness of Montana as a travel destination increased by 36% year over year (YOY)
- + Awareness of Montana's advertising more than doubled YOY
- + In the 4-month period of 2010, awareness of advertising more than doubled in Seattle, tripled in Minneapolis, and increased 17x in Chicago
 - At the same time, national ad awareness held relatively steady, demonstrating effectiveness of a key market strategy with limited budget

INCREASED AWARENESS = INCREASED INTENT TO TRAVEL

- + The pie is getting larger. The percentage of the target audience likely to travel to Montana nearly doubled in 2010 (reaching 23%) over 2009 (13%).
- + Conversion potential is stronger. Target audience appears more committed to a Montana vacation, as degree of travel likelihood rates 17% higher than 2009.
- + Those aware of Montana's advertising are at least one-third, and as much as two-and-a-half times, more likely to travel to Montana than those unaware of the advertising.

ADVERTISING INFLUENCES PERCEPTIONS, SEEN AS INFO

- + Out-of-home (i.e. billboards, busboards, etc.) and radio advertising ranked high in advertising recall
 - 25% recalled seeing scenic Montana advertising on trains, busses, and billboards
 - 12% recalled the radio ads
- + Those aware of Montana's advertising are more likely to associate Montana with its key brand attributes (i.e. spectacular, unspoiled nature), as well as with both national parks, than those unaware of the advertising
- + Advertising increases as a source of information for Montana, but does not increase for competing travel destinations
- + Familiarity with Montana increases with advertising awareness. When asked why not inclined to travel to Montana, "Not familiar with Montana" response rate drops by 75% when compared to pre-campaign levels

2010 BRAND AWARENESS STUDY

CONCLUSIONS

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CONCLUSIONS

- + While campaigns are increasing awareness, there is still much work to be done. Target audience's awareness level for Montana as a vacation destination is still only 15%.
- + Repeated focus on key feeder markets (i.e. Minneapolis, Seattle, and Chicago) builds a strong base of awareness and familiarity for Montana year over year.
- + Establishing long-term key market campaigns is crucial to increasing Montana's footing in the consideration set of our travelers for the following year.
- + While awareness is not lost in the nine months between key market campaigns, a stronger presence could impact travel plans being made prior to the start of spring campaigns.
- + In spite of strong competition during the spring advertising season, the correlation between the campaigns and target audience's gathering of information is stronger for Montana than other

REVISITING OBJECTIVES

- + 2009-10 Marketing Plan Objective 1: Increase the target audience's awareness of the brand by 3 percentage points by January 2011.
 - Between May 2009 and May 2010, increased brand awareness by 4 percentage points (from 11% to 15%).

- + 2009-10 Marketing Plan Objective 2: Increase the target audience's intent to travel to Montana by 2 percentage points by January 2011.
 - Between May 2009 and May 2010, increased intent to travel by 10 percentage points (from 13% to 23%).

Thank you.

This presentation will be available online at:
www.travelmontana.mt.gov/research/staffpre.asp

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